Message Text

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ORIGIN EUR-12

INFO OCT-01 ISO-00 H-01 SS-15 L-02 DODE-00 CIAE-00 PM-03

INR-07 ACDA-05 NSAE-00 PA-01 RSC-01 PRS-01 SP-02

USIA-06 TRSE-00 SAJ-01 NSC-05 /063 R

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FM SECSTATE WASHDC

TO AMEMBASSY PARIS PRIORITY

INFO USMISSION NATO PRIORITY

C O N F I D E N T I A L STATE 011824

E.O. 11652: GDS

TAGS: PFOR, MILI, FR

SUBJECT: FRELOC AGREEMENT AND JANUARY 16 HEARING

REF: PARIS 1123

- 1. EMBASSY MAY ADVISE SCHRICKE (PARA 5 REFTEL) THAT WE HAD SUGGESTED MARCH 1 AS DATE BELIEVED CONVENIENT FOR FRENCH TO ARRANGE INITIAL PAYMENT. PARA 2 OF STATE 8367 WAS INTENDED TO SUGGEST THAT WE WERE FLEXIBLE BUT WOULD IN ANY CASE LIKE TO SEE FIRST PAYMENT BEFORE END OF PRESENT U.S. FISCAL YEAR ON JUNE 30.
- 2. WE HAVE POUCHED COPY OF PRESS RELEASE GIVING ALL OF THE CONFIDENTIAL $\,$

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BACKGROUND WE HAVE ON THE BYRD HEARING WHICH TOOK PLACE

FOR AN HOUR THIS MORNING. TEXTS OF PREPARED STATEMENTS BY ELLSWORTH AND LOWENSTEIN BEING SENT TO MISSIONS VIA WIRELESS FILE TONIGHT. FIVE MEMBERS OF COMMITTEE WERE PRESENT AS WAS ASSOCIATED PRESS REPORTER, COUNSELOR DE BELLESCIZE OF THE FRENCH EMBASSY, AND A HALF DOZEN SPECTATORS

- 3. SUBCOMMITTEE ASKED HOW MANY OF THE AIRFIELDS WHICH U.S. USED PRIOR TO 1966 ARE PRESENTLY IN USE AS CIVIL OR MILITARY AIRFIELDS IN FRANCE. WE WOULD APPRECIATE IF EMBASSY COULD CABLE LIST OF ALL THESE AIRFIELDS INDICATING THEIR PRESENT USE.
- 4. SENATOR DOLE ASKED WHETHER THERE IS ANY POSSIBILITY THAT THE U.S. COULD MAKE FUTURE USE OF THE FORMER FACILITIES. ELLSWORTH SAID HE DID NOT KNOW OF ANY CONCRETE DISCUSSIONS TAKING PLACE NOW ON THIS SUBJECT BUT THAT IT IS ALWAYS A POSSIBILITY. HE SAID THAT THE FACT THAT THE PRESENT FINANCIAL SETTLEMENT IS MADE WOULD NOT AT ALL PRECLUDE ACCESS TO THESE FACILITIES IN THE FUTURE IN THE EVENT OF WHAT THE FRENCH WOULD CONSIDER TO BE A NATIONAL EMERGENCY.
- 5. ANOTHER QUESTION WAS WHETHER WE HAD CONSIDERED THE PRESENCE OF THE 1.5 BILLION DOLLAR MAP INVENTORY IN FRENCH HANDS AS A LEVER IN SECURING A SETTLEMENT OF THE FRELOC CLAIM. WE REPLIED THAT WE HAD CONSIDERED THIS AND HAD REJECTED IT. IN THIS CONNECTION WE WOULD APPRECIATE CABLE REPORT OF LATEST AVAILABLE MAAG FIGURES ON TOTAL CURRENT FRENCH-HELD MAP INVENTORY BY DOLLAR VALUE BY SERVICE.
- 6. IN RESPONSE TO OTHER QUESTIONS WE INDICATED THAT WE ARE NOT SEEKING ANY INTEREST PAYMENTS IN THIS SETTLEMENT SINCE THERE WAS NO ESTABLISHED DEBT INVOLVED, AND THAT WE HAVE PROPOSED A REPAYMENT PERIOD OF FIVE YEARS. WE ALSO INDICATED THAT WHILE ALL THE FACILITIES IN FRANCE WERE NOT REPLACED ELSEWHERE, THE TOTAL U.S. OUTLAY FOR THOSE FACILITIES THAT WERE REPLACED AMOUNTED TO 163 MILLION DOLLARS. (THIS WAS DERIVED FROM NATO DOCUMENT AC/4(PP)D/10,978.)

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7. SENATOR BYRD REMARKED ON THE COINCIDENCE OF THE FRELOC SETTLEMENT AT ABOUT 26 PERCENT OF THE CLAIM AND THE SOVIET LEND-LEASE SETTLEMENT AT 27 PERCENT. HE WAS INFORMED THAT THIS WAS A COINCIDENCE AND THAT WE HAVE NO NORM TO APPLY IN THESE NEGOTIATIONS. WHILE VARIOUS MEMBERS EXPRESSED THE HOPE THAT WE MIGHT WRITE FORMULAS FOR FINANCIAL SETTLEMENTS UNDER SIMILAR CIRCUMSTANCES INTO MILITARY FACILITIES

AGREEMENTS IN THE FUTURE, AND LAMENTED THE LONG TIME REQUIRED TO REACH THIS SETTLEMENT, THERE WAS NO INDICATION DURING THE HEARING THAT THE COMMITTEE WILL OBJECT TO THE FRELOC SETTLEMENT. KISSINGER

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Message Attributes

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To: PARIS

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